

9 JUN 1981

MEMORANDUM FOR: Deputy Director of Security  
Physical, Technical and Area Security

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FROM: [Redacted] Chief (C)  
Information Systems Security Group, OS

SUBJECT: Proposed ODP Policy Excluding ADPE of Foreign  
Manufacture (U)

REFERENCE: (a) Memorandum, dated 4 May 1981, same  
subject.  
(b) Memorandum dated 21 April 1981 from  
C/MS/ODP to C/PD/OL (ODP 81-437)

1. This Office fully supports the policy outlined in paragraph 2 of reference (b). This policy incidentally was first surfaced in our joint OS/ODP Computer Security Working Group and, in fact, prior to final publication by the Office of Data Processing (ODP), Management Staff (MS) was coordinated with the Office of Security (OS), Information Systems Security Group (ISSG). (U)

2. With respect to the two basic concerns raised by ODP;

a. There is a distinct threat to ADPE both at the manufacturing point and/or at the servicing end via a device used for the purpose already stated in reference (b). We believe, however, that there would be better ways for a hostile or (friendly) government to obtain information but that threat nevertheless exists.

b. Regarding service representatives - any foreign national representative of these manufacturers would not be permitted entry to the Headquarters complex for obvious security reasons. (U)

3. In answer to specific questions listed in attachment (1) of reference (a), we have the following comments (corresponding to paragraphs in attachment):

a. We view these parameters as the entire system to include individual components of a computer, e.g., main CPU, terminals, memory units, I/O devices, channel devices, as well as communication equipment.

b. We would prefer that these be made at time of procurement as part of the procurement process. Inquiries should be made as to foreign affiliation and if possible place of manufacture of computer units under procurement consideration. There should be no exceptions unless there are overriding circumstances not now envisioned and then only with written concurrence by the Director of Security and the Director of Data Processing.

c. No. We believe that this is an internal Agency policy matter necessitated by the DCI's legal responsibility to protect Sources and Methods. DDO data which is processed on our computers would certainly be considered in this subject area.

d. We do not specifically analyze new computer equipment for implanted devices or for modifications. Our Technical Security Division/Office of Security people.

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regarding visiting service representatives: service technicians who regularly maintain our computer equipment must be cleared and badged (VNE badge includes polygraph interview). Service personnel on the Agency account, who regularly service our equipment but who do not qualify for a badge (less than 100 visits per year) are also generally appropriately cleared. In the event there are no badged or cleared service personnel available, uncleared representatives will be asked to perform maintenance functions under escort by a "knowledgeable" individual. Of course this procedure is difficult to enforce in the daily work environment.

e. Yes. We are currently reviewing Agency and Community policy in the information security area in order to update existing regulations/directives and will consider this question as part of that review. Additionally, we feel that it should also apply to the Intelligence Community (e.g., to member Agencies processing SCI under DCID 1/16).

f. To our knowledge there is currently no policy Community-wide specifically addressing this matter. Until very recently, as you know, there was a specific "buy-American" clause in the GSA procurement directives which now has been voided by Executive Order. Further, historically the United States computer manufacturers have not had any competition from foreign companies. However, with recent technical strides in computer manufacturing by Japan, the problem of using foreign computers will become more defined.

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h. We are not as concerned about United States computer manufacturers using transnational corporations for parts, etc., as we are of foreign manufacturers producing this computer equipment in their own country under their "total" control. In short, we have to live with the "facts of life" of American business..

i. Many questions would first have to be answered such as degree of foreign control; the distribution process for this equipment, types of contracts (overt/covert) under consideration. (S)

4. Obviously these questions need further discussion and explanation. [REDACTED] will be the point of contact within ISSG on this issue. (C)

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